

ANTI-POVERTY NETWORK WINTER HEATING CRISIS CONSULTATION RESPONSE TO GOVERNOR CORZINE'S MESSAGE ON HEATING ASSISTANCE

In early September, The Anti-Poverty Network of New Jersey (APN) assembled a consultation group to identify issues and develop strategies related to a likely winter heating crisis in New Jersey. Increases in the cost of utilities are having a devastating effect on New Jersey's most vulnerable populations, especially Seniors, children, and people with disabilities. Increased energy costs also pose a serious challenge for cash-strapped low-income people, who have been victimized by predatory lenders, and are struggling to remain in their homes as the foreclosure crisis grows.

The Consultation Group met four times, and was made up of interested people from within the APN along with individuals, organizations and agencies with particular expertise related to heating and utility services. A number of proposals have been submitted by the group to Governor Corzine and his staff, and we were given opportunity to hear his proposals in advance of today's speech. The Consultation Group applauds the Governor for the bold framework for energy assistance that he is unfolding today. We believe it is an excellent step toward addressing the needs of New Jersey's low-wage, moderate and fixed income populations. We are pleased to see many of our concerns and strategies reflected in the Governor's plan.

The Governor's proposals aim to make effective use of recently increased Federal funding for the Low Income Home Energy Assistance Program (LIHEAP). Because of the increasing cost of home heating oil over the past year, current grants to LIHEAP eligible households would not have been enough to fill a home oil tank even one time. Governor Corzine's proposal to increase grant amounts will make it possible for these households to cover a significant portion of anticipated heating costs. Also, by raising LIHEAP eligibility from 175% to 200% of the Federal Poverty Level, the Governor is making assistance available to those whose income places them closer to true poverty in New Jersey.

Governor Corzine will also increase funding available to NJ SHARES, which provides energy assistance to households that are not eligible for LIHEAP benefits. As many as 11,000 households will receive help as a result of the Governor's initiative. Finally, we acknowledge Governor Corzine's commitment to expand outreach efforts to help New Jersey's low-income households understand and access energy assistance programs. Public education and information are crucial components in making sure that vulnerable people receive help as the weather turns colder and fuel costs rise.

In this time of economic crisis, it is crucial that the needs of New Jersey's low and moderate income people are not overlooked. Governor Corzine is to be commended for his speed and foresight in acting to address the needs of those whose health and safety would surely be compromised if home energy assistance were not made available quickly. We call on the public and elected officials to stand in strong support of the Governor's initiatives. There is an urgent need to take action now.

For further information on this statement, please contact The Rev. Bruce H. Davidson,
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Among members of the consultation who have endorsed this statement are the following:
Ms. Joyce Campbell, Government Relations, Catholic Charities - Diocese of Trenton
The Rev. Bruce H. Davidson, Director, Lutheran Office of Governmental Ministry in
New Jersey

Mr. Jim Dieterle, State Director, AARP of New Jersey

Ms. Linda Hanson, Director and Ms. Shari Williams, President, Manufactured
Homeowners Association of New Jersey

Ms Patricia Hunt, Interim Executive director, New Jersey Community Action Association

Mr James Jacob, Executive Director, NJ SHARES

Ms Marlene Lao Collins, Director for Social Concerns, New Jersey Catholic Conference

Mr. Sheldon Presser, Senior Policy Analyst, Association for Children of New Jersey

Mr. Mario Vargas, Executive Director, Puerto Rican Action Board

For the purposes of information, the following are some of the realities that were
identified by the APN Winter Heating Crisis Consultation as being of particular concern
as we face the winter of 2008-09:

* The current economic crisis affects the income of virtually all segments of the
population. However, middle and low-income wages have been nearly stagnant for
several years. A serious national rise in unemployment continues to affect many New
Jersey workers.

* Even with a relatively mild winter in 2007-08, rising demand for energy
assistance has already outstripped the ability of non-profit provider and charitable
agencies to meet current needs.

* There is a strong likelihood that current fuel oil costs will rise, especially if winter
weather is colder or of longer duration than it has been recently.

* Working people face the reality of "heat or eat". Organizations representing low
and fixed income people have pointed to an increase in respiratory and other physical
ailments that are likely related to people turning heat down to the point where health is
jeopardized. The use of space heaters and candles to conserve heat and light can pose
significant safety hazards.

* Many low-income New Jersey Homeowners face losing their homes in the current
foreclosure crisis. Increases in heating and utility costs significantly impact their ability
to continue to pay their mortgages.

* Many older homes in New Jersey – both owned and rented –use oil for heat.
Almost all mobile homes use propane or oil for heat, and many of the residents who live
in them are low-income or senior citizens on fixed incomes. In New Jersey there is no
winter moratorium on shut-offs for those who depend on "deliverable" fuels (oil and
propane.)

* Fuel and heating oil prices have been fluctuating almost daily. High and volatile
energy prices have little to do with supply and demand. Rising energy costs are related to
speculation and possibly manipulation of commodities markets by the same people that
have brought us the current financial crisis.